

**ASSEMBLY JUDICIARY COMMITTEE APPROVES
ARBITRATION PACKAGE**

The Assembly Judiciary Committee approved a package of bills -- [AB 2504 \(Jackson\)](#), [AB 2574 \(Harmon\)](#), [AB 2656 \(Corbett\)](#), [AB 3029 \(Steinberg\)](#), and [AB 3030 \(Corbett\)](#) -- that would impose new controls on the arbitration industry in California at its Tuesday, April 23, hearing. The bills are supported by consumer groups, seniors' organizations and the Consumer Attorneys of California. Only the California Judges Association was listed in opposition to any of the bills (AB 2504), which had been in print only a week before the hearing. All five bills were approved by substantial majorities of the committee.

The hearing came four days after the state Judicial Council [adopted](#) new [ethics standards](#) for contractual arbitrators. The package goes beyond those standards in several regards.

**TAX CONFORMITY BILLS
ON WAY TO GOVERNOR**

Good news for those of you who have traditional individual retirement accounts (IRAs), Roth IRAs, education IRAs, 401 (k) or 457 retirement plans because yesterday the Assembly passed two tax conformity bills. Both bills, SB 657 by Jack Scott (D - Pasadena), chair, Senate Committee on Revenue and Taxation, and AB 1122 by Ellen Corbett (D - San Leandro), former chair, Assembly Committee on Revenue and Taxation, are on their way to the Governor. The two identical bills are expected to be signed by Governor Davis. A Davis spokeswoman said: "When you have new federal laws to allow individuals to put more (money) into deferred savings for their retirements, it makes sense to conform at the state level."

In brief, the bills would permit Californians to contribute more money to retirement accounts without paying more in state taxes.

AB 1122 and SB 657 would bring state tax law into conformity with changes made in federal law (Economic Growth and Tax Relief Reconciliation Act of 2001) to encourage workers to save more money toward their retirement.

**UPL BILL TO BE HEARD IN
SENATE JUDICIARY COMMITTEE**

[SB 1459 \(Romero\)](#), which would subject to felony prosecution scam artists who repeatedly engage in the unauthorized practice of law in order to defraud consumers, will be heard in the Senate Judiciary Committee on Tuesday, April 30. The bill, the brainchild of State Bar President Karen Nobumoto, is supported by the California District Attorneys Association, the Los Angeles County District Attorney's Office, numerous minority bar associations, and several local bar associations.

The bill will also clarify that existing law that makes it chargeable as a felony for a disbarred or suspended lawyer to advertise or hold him/herself as practicing law also applies if that lawyer actually practices law.

NEXT KEY LEGISLATIVE DEADLINES

May 10 is the last day for policy committees to hear and send non-fiscal bills (introduced in their house) to the respective floor of their house. Once this is done, the entire house may vote for or against the bill

MAY 17 is the last day for policy committees to meet prior to June 3.

MAY 24 is the last day for fiscal committees to hear and report to the floor bills introduced in their house.

MAY 31 is the last day for bills to be passed out of the house of origin.